

080004223

INSTRUMENT PREPARED BY  
VIRGINIA GAS AND OIL BOARD

ORDER RECORDED UNDER CODE  
OF VIRGINIA SECTION 45.1-361.26

1299

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

AMENDED SUPPLEMENTAL ORDER REGARDING:

DOCKET NO. VGOB-06/10/17-1749

ELECTIONS, UNIT: 825694

(hereinafter "Subject Drilling Unit")

TAX MAP IDENTIFICATION NUMBERS:

TAX MAP IDENTIFICATION NUMBERS FOR ALL PARCELS  
AFFECTED BY THIS ORDER ARE SHOWN ON EXHIBITS (S) B  
WHICH IS/ARE ATTACHED TO AND A PART OF THIS ORDER.

REPORT OF BOARD

FINDINGS AND ORDER

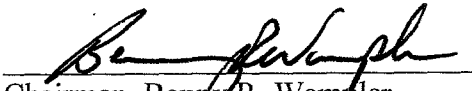
1. This Amended Supplemental Order is entered by the Board sua sponte in the form authorized by the Board at its hearing held at 9:00 a.m. on October 20, 1992, Board of Supervisors Room, Courthouse, Grundy, Virginia, and pursuant to authority granted to the Board's Chairman at the hearing of the Virginia Gas and Oil Board on June 16, 1992, at 9:00 a.m. at the Rhododendron Restaurant at the Breaks Interstate Park, Breaks, Virginia; and this Supplemental Order is being recorded for the purpose of (1) complying with the requirement of the Virginia Gas and Oil Board Regulations, 4 VAC 25-160.70C by supplementing the Order previously issued by the Board for subject Docket on April 17, 2007 and recorded instrument # 070001685 in the Office of the Clerk of Circuit Court, Buchanan County, Virginia on April 30, 2007 (herein "Board Order") to complete the record regarding elections. The Board Order pooled all interest in Subject Drilling Unit including those of the Respondents more particularly set forth and identified by the Designated Operator in the affidavits attached hereto and made a part hereof. The Board finds it has jurisdiction over the subject matter pursuant to the provisions of the Virginia Gas and Oil Act, § 45.1-361.1 et seq., Virginia Code, 1950 as amended.
2. Findings: The Board finds that:
  - (a) The Board Order directed Chesapeake Appalachia LLC, (herein the Designated Operator"), to mail copies of the Board Order to all respondents whose interest, if any, were pooled by said Board Order;

- (b) The designated operator filed its affidavit of mailing dated May 29, 2007, disclosing that it had mailed a correct copy of the Board's Order to all Respondents whose interest, if any, were pooled by said Board Order;
  - (c) The Board Order required each Respondent whose interest, if any, were pooled by the terms of said Board Order to make his or her election within thirty (30) days after the date of mailing or recording, as applicable, of said Order; the Designated Operator has filed its affidavit dated October 20, 2008, in accordance with § 7.C of the Virginia Gas and Oil Board Regulations and 4 VAC 25-160.70C (herein "Affidavit of Election"), wherein it has, for each Respondent whose interest, if any, were pooled by said Board Order, stated: (i) whether each Respondent has made or failed to make a timely election; (ii) the nature of the election made, if any; (iii) whether, by reason of a failure to elect or to timely elect one or more Respondents are deemed, under the terms of the Board's Order, to have leased all their rights, title, interest, estates and claims in Subject Drilling Unit to the Designated Operator;
  - (d) The Board Order further required the Designated Operator, after expiration of the election period, to file with the Board a statement of the interests subject to escrow under the terms and provisions of the Board Order, in light of the elections made or deemed to have been made (herein "Statement of Interests"); that the Designated Operator furnished said Statement of Interests as part of its Affidavit of Election. A copy of which is attached hereto as Exhibit B;
  - (e) Current Board standards requiring the escrow of funds and the Board's agreement with its Escrow Agent, Wachovia Bank, N.A., VA7515, P.O. Box 14061, Roanoke, VA 24038, (540) 563-7764, Attn: Judy Barger, or any successor named by the Board, require the entry of a Supplemental Order establishing of record the elections made or deemed to have been made and specifying the sums or percentage thereof subject to escrow. Current Board escrow standards were made applicable to Subject Drilling Unit by a Board Order dated December 23, 1992.
3. Order: By this Order, the Board orders the Designated Operator to tender, consistent with and in accordance with the findings set forth at paragraph 2 above and the annexed Affidavits, any funds subject to escrow and instructs the Escrow Agent, Wachovia Bank, N.A., VA7515, P.O. Box 14061, Roanoke, VA 24038, (888) 396-0853, Attn: Judy Barger, or any successor named by the Board to establish interest-bearing escrow account(s), IRS Tax Identification Number 54-1629506, in accordance with the information set forth in said affidavits to receive such funds and account to the Board therefore.
4. Mailing of Order and Filing of Affidavit: The Designated Operator under the captioned Order or its Attorney shall file an affidavit with the Secretary of the Board within ten (10) days after the date of receipt of this Order stating that true and correct copy of this Order to each person whose interest or claim is subject to escrow and whose address is known.

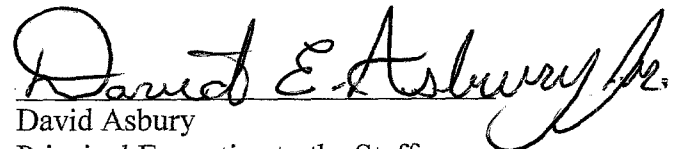
5. Conclusion: Therefore, the findings and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.

6. Effective Date: This Order shall be effective on the date of its execution.

DONE AND EXECUTED this 6<sup>th</sup> day of November, 2008 by a majority of the Virginia Gas and Oil Board.

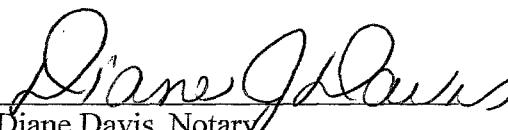
  
Chairman, Benny R. Wampler

DONE AND PERFORMED THIS 6<sup>th</sup> day of November, 2008 by Order of this Board.

  
David Asbury  
Principal Executive to the Staff  
Virginia Gas and Oil Board

STATE OF VIRGINIA )  
COUNTY OF WASHINGTON )

Acknowledged on this 6<sup>th</sup> day of November, 2008, personally before me a notary public in and for the Commonwealth of Virginia, appeared Benny Wampler, being duly sworn did depose and say that he is Chairman of the Virginia Gas and Oil Board, and David Asbury, being duly sworn did depose and say that he is Principal Executive to the Staff of the Virginia Gas and Oil Board, that they executed the same and was authorized to do so.

  
Diane Davis, Notary  
174394

My commission expires: September 30, 2009



**VIRGINIA:**

***BEFORE THE VIRGINIA GAS AND OIL BOARD***

IN RE: Application of Chesapeake Appalachia LLC for Forced Pooling of Interests in Unit Number 825694, VGOB Docket No. VGOB-06/10/17-1749 in the North Grundy Magisterial District of Buchanan County, Virginia.

AMENDED AFFIDAVIT OF WILHOIT & KAISER, Attorneys-at-Law, Agents for the Designated Operator REGARDING ELECTIONS, ESCROW ACCOUNTS AND SUPPLEMENTAL ORDER

James E. Kaiser (herein Affiant), being first duly sworn on oath, deposes and says:

1. That the Affiant is an attorney in the law firm of WILHOIT & KAISER, the Agent for the Designated Operator, with offices located at 220 Broad Street, Kingsport, Tennessee 37660, and is authorized to give this Affidavit in its behalf;
2. That the Order entered on April 17, 2007, by the Virginia Gas and Oil Board regarding the captioned conventional Unit required the Applicant to mail a true and correct copy of said Order to each person pooled by said Order;
3. That within seven (7) days of the receipt of an executed copy of the Order referred to at Paragraph 2. above, the Affiant was directed to cause a true and correct copy of said Order to be mailed via the United States Postal Service to each Respondent named in the captioned Application, whose address was known, and to all persons, if any, who are added as Respondents at the hearing held in the captioned matter;
4. That the Order of the Virginia Gas and Oil Board in the captioned matter required all persons pooled thereby to tender their written elections to the Unit Operator within thirty (30) days of the date said Order was recorded in the county above named; that said Order was recorded on April 30, 2007.
5. That the Designated Operator, by and through their agent, Wilhoit & Kaiser, Attorneys-at-Law, have established procedures to review all mail received and all written documents received by means other than by mail to ascertain whether parties whose interest have been pooled have made a written election, in a timely fashion, as required by the captioned Order; that said procedures were followed to identify the elections, if any, made with regard to Subject Unit; that the following persons delivered, by mail or otherwise, written elections to the Unit Operator, within the thirty day election periods:

<u>TRACT</u>	<u>NAME</u>	<u>ELECTED</u>
1 & 2	CNX Gas Company LLC c/o Claude Morgan 2481 John Nash Boulevard Bluefield, WV 24701	Participate

<u>TRACT</u>	<u>NAME</u>	<u>ELECTED</u>
2	Wachovia Bank, N.A. Trustee for the Francis Bell Blakemore Trust P. O. Box 40062 (FL0027) Jacksonville, FL 32203-0062	Cash Consideration
2	Bank of America, Trust Department Trustee for Grace W. Thompson, Elsie Thompson Clark Educational Trust Attn: Brad Kolins P. O. Box 830308 Dallas, TX 75283-0308	Cash Consideration
5	Amy Elizabeth Reilly and John Reilly, her husband 819 Hillcrest Circle Wexford, PA 15090	Cash Consideration
5	Frances Rigg Foley 34958 Roberts Lane St. Helens, OR 97051	Cash Consideration

6. That the interest and/or claims of the following persons (who made timely elections, or who are deemed under the terms of the Board's Order to have leased, or who, subsequent to the pooling hearing held in the captioned matter, have leased or otherwise entered into an agreement with the Designated Operator) are subject to escrow under the Board's Order pooling the captioned Unit, Board Regulations and the Code of Virginia as unknown/unlocatable.

NONE

7. That after the pooling hearing held in the captioned matter, the following persons have leased or entered into a voluntary agreement with the Designated Operator with regard to their interest and/or claims which are not subject to escrow:

<u>TRACT</u>	<u>LESSOR</u>
2	William A. Blakemore, Trustee 8499 Anderson Court Mechanicsville, VA 23116-3102
2	John A. Blakemore, Jr., Trustee 9911 Kingsbridge Road Richmond, VA 23233

<u>TRACT</u>	<u>LESSOR</u>
2	Sarah B. Drummond, Trustee 1111 South Lakemont, Apt. 735 Winter Park, FL 32782
2	Mary B. Johnston, Trustee 300 Westminster Canterbury, #317 Oakton, VA 22603
2	BB&T Bank, Roanoke, Virginia, Trustee Martha B. McCrary, Trust 310 First Street, 2nd Floor Roanoke, VA 24011
2	W. R. White III, Trustee 12469 Summer Ridge Place Maidens, VA 23102
2	W.Y.C. White III, Trustee 14210 Helmsley Road Midlothian, VA 23113
2	James L. White, Trustee P. O. Box 46 Abingdon, VA 24210

8. That the following persons have not made a timely election and have failed to enter into an agreement with the Designated Operator and their respective interests shall be deemed to have leased pursuant to and in accordance with paragraph 10 of the Order.

<u>Tract</u>	<u>Lessor</u>	<u>Cash Consideration</u>
1	Michael James Kauble Trustee for May Sue Harris 920 Chapin Dr. P.O. Box 342 Julian, CA 92036	11.458667 X \$5.00 = \$57.29
5	Daniel L. Coleman and spouse or heirs 200 Bellefonte Circle Ashland, KY 41101	0.030000 X \$5.00 = \$0.15
5	Alice Maclean Schepp and Ralph Schepp, her husband 273 Hickory Heights Drive Bridgeville, PA 15017	0.006667 X \$5.00 = \$0.03

**Tract Lessor**

**Cash Consideration**

5 Lydia Jane Coleman  
and spouse or heirs  
10216-B White Pelican Way  
New Market, MD 21774

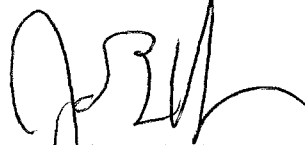
0.006667 X \$5.00 = \$0.03

5 Winifred Coleman  
and spouse or heirs  
12 Puffin Court  
Novato, CA 94949


0.010000 X \$5.00 = \$0.05

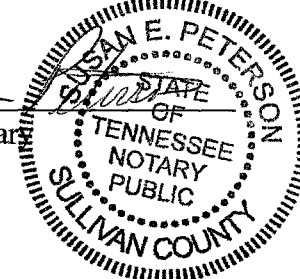
That pursuant to the provision of 4VAC 25-160.70C annexed hereto and incorporated herein is a proposed supplemental order to be entered to complete the record regarding elections; that said annexed supplemental order sets forth that the services of the Escrow Agent are required in this matter pursuant to the terms of §§ 45.1-361.21.D.

Dated at Kingsport, Tennessee, this 20th day of October 2008.

  
\_\_\_\_\_  
Affiant

Taken, subscribed and sworn to before me by James E. Kaiser, the Agent of Chesapeake Appalachia LLC, a corporation, on behalf of the corporation, this 20th day of October, 2008.

  
\_\_\_\_\_  
Notary



My commission expires: November 12, 2008.

EXHIBIT B  
Well No. 825694 (HCS-96)  
(Revised 10.5.07)

<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>PERCENT INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE WITHIN UNIT</u>
<b>TRACT 1. 42.97 Acres in Unit</b>			
Robert S. Powers, single 2921 Dempster Street Knoxville, TN 37917-3215	Leased	1.906558%	2.148500
James S. Thompson, Trustee The Florence E. Walker Trust, and James S. Thompson 3620 Edgewood Circle Cleveland, TN 37311	Leased	1.906558%	2.148500
Bran Investments, LLC a Tennessee Limited Liability Company 516 Holston Avenue, Suite 100 Bristol, TN 37620	Leased	1.906558%	2.148500
Stephen E. Runals; Michael L. Runals; Roberta R. Moran; Andrew W. Runals, Trustees of The Runals Trust c/o Stephen E. Runals, Agent 11280 Magnolia Place Smithfield, VA 23430	Leased	1.906558%	2.148500
Carol C. Welch and spouse or heirs 134 Little John Road Williamsburg, VA 23185-1291	Unleased*	5.084154%	5.729333
Mark Douglas Welch and spouse or heirs 113 Holdsworth Road Williamsburg, VA 23185-5551	Unleased*	5.084154%	5.729333
May Sue Harris Heirs unknown and unlocatable	Unleased*	10.168308%	11.458667
Irene M. Harris heirs:			
Marguerite Whyte and spouse or heirs 1837 Avenida Segovia Oceanside, CA 92056	Unleased*	1.694718%	1.909778
Patricia Ruemke and spouse or heirs 5627 South 4th Street Arlington, VA 22204	Unleased*	1.694718%	1.909778
George B. Harris, Jr. and spouse or heirs 188 The Embarcadero Ste. 500 San Francisco, CA 94105	Unleased*	1.694718%	1.909778
Edward W. Lindsay, Trustee 1125 Brentwood Drive Ponca City, OK 74601-1712	Unleased*	5.084154%	5.729333

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EXHIBIT B  
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<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>PERCENT INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE WITHIN UNIT</u>
CNX Gas Company LLC P.O. Box 947 Bluefield, VA 24605 *(Oil and Gas Lessee)	Participating		
<b>TRACT 2. 24.68 Acres in Unit</b>			
Robert S. Powers, single 2921 Dempster Street Knoxville, TN 37917-3215	Leased	0.730026%	0.822667
James S. Thompson, Trustee The Florence E. Walker Trust, and James S. Thompson 3620 Edgewood Circle Cleveland, TN 37311	Leased	0.730026%	0.822667
Bran Investments, LLC a Tennessee Limited Liability Company 516 Holston Avenue, Suite 100 Bristol, TN 37620	Leased	0.730026%	0.822667
Stephen E. Runals; Michael L. Runals; Roberta R. Moran; Andrew W. Runals, Trustees of The Runals Trust c/o Stephen E. Runals, Agent 11280 Magnolia Place Smithfield, VA 23430	Leased	0.730026%	0.822667
Carol C. Welch and spouse or heirs 134 Little John Road Williamsburg, VA 23185-4908	Unleased*	1.946737%	2.193778
Mark Douglas Welch and spouse or heirs 113 Holdsworth Road Williamsburg, VA 23185-5551	Unleased*	1.946737%	2.193778
May Sue Harris Heirs unknown and unlocatable	Unleased*	3.893474%	4.387556
Irene M. Harris heirs:			
Marguerite Whyte and spouse or heirs 1837 Avenida Segovia Oceanside, CA 92056	Unleased*	0.648912%	0.731259
Patricia Ruemke and spouse or heirs 5627 South 4th Street Arlington, VA 22204	Unleased*	0.648912%	0.731259
George B. Harris, Jr. and spouse or heirs 188 The Embarcadero Ste. 500 San Francisco, CA 94105	Unleased*	0.648912%	0.731259

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EXHIBIT B  
Well No. 825694 (HCS-96)  
(Revised 10.5.07)

LESSOR	LEASE STATUS	PERCENT INTEREST WITHIN UNIT	GROSS ACREAGE WITHIN UNIT
Edward W. Lindsay, Trustee 1125 Brentwood Drive Ponca City, OK 74601-1712	Unleased*	1.946737%	2.193778
CNX Gas Company LLC P.O. Box 947 Bluefield, VA 24605 *(Oil and Gas Lessee)	Participating		
Wachovia Bank, N.A. Trustee for the Francis Bell Blakemore Trust P. O. Box 40062 (FL0027) Jacksonville, FL 32203-0062	Unleased Cash Basis	0.608355%	0.685556
Bank of America, Trust Department Trustee for Grace W. Thompson, Elsie Thompson Clark Educational Trust Attn: Brad Kolins P. O. Box 830308 Dallas, TX 75283-0308	Unleased Cash Basis	0.456266%	0.514167
William A. Blakemore, Trustee 8499 Anderson Court Mechanicsville, VA 23116-3102	Unleased Voluntary Lease	0.608355%	0.685556
John A. Blakemore, Jr., Trustee 9911 Kingsbridge Road Richmond, VA 23233	Unleased Voluntary Lease	0.608355%	0.685556
Sarah B. Drummond, Trustee 1111 South Lakemont, Apt 735 Winter Park, FL 32782	Unleased Voluntary Lease	0.608355%	0.685556
Mary B. Johnston, Trustee 300 Westminster Canterbury, #317 Oakton, VA 22603	Unleased Voluntary Lease	0.608355%	0.685556
BB&T Bank, Roanoke, Virginia, Trustee Martha B. McCrary, Trust 310 First Street, 2nd. Floor Roanoke, VA 24011	Unleased Voluntary Lease	0.608355%	0.685556
W. R. White III, Trustee 12469 Summer Ridge Place Maidens, VA 23102	Unleased Voluntary Lease	1.064622%	1.199722
W.Y.C. White III, Trustee 14210 Helmsley Road Midlothian, VA 23113	Unleased Voluntary Lease	1.064622%	1.199722
James L. White, Trustee P. O. Box 46 Abingdon, VA 24210	Unleased Voluntary Lease	1.064622%	1.199722
<b>TRACT 3. .36 Acre in Unit</b>			
Big Sandy Coal Corporation William R. Ritter, Jr., President c/o Hess, Stewart & Campbell P.O. Box 1060 Huntington, WV 24713	Leased	0.319460%	0.360000

**EXHIBIT B**  
**Well No. 825694 (HCS-96)**  
**(Revised 10.5.07)**

<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>PERCENT INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE WITHIN UNIT</u>
<b>TRACT 4. 44.59 Acres in Unit</b>			
Green Charles Estate c/o John H. Baird, Attorney-in-Fact Box 351 Pikeville, KY 41502	Leased	39.568728%	44.590000
Donald R. Johnson Attorney at Law 1950 Electric Road Roanoke, VA 24018			
<b>TRACT 5. .09 Acre in Unit</b>			
Frances Rigg Foley and spouse or heirs 34958 Roberts Lane St. Helens, OR 97051	Unleased <b>Cash Basis</b>	0.026622%	0.030000
Daniel L. Coleman and spouse or heirs 200 Bellefonte Circle Ashland, KY 41101	Unleased	0.026622%	0.030000
Amy Elizabeth Reilly and John Reilly, her husband 819 Hillcrest Circle Wexford, PA 15090	Unleased <b>Cash Basis</b>	0.005916%	0.006667
Alice Maclean Schepp and Ralph Schepp, her husband 273 Hickory Heights Drive Bridgeville, PA 15017	Unleased	0.005916%	0.006667
Lydia Jane Coleman and spouse or heirs 10216-B White Pelican Way New Market, MD 21774	Unleased	0.005916%	0.006667
Winifred Coleman and spouse or heirs 12 Puffin Court Novato, CA 94949	Unleased	0.008874%	0.010000
<b>TOTAL GAS ESTATE</b>		<b>100.000000%</b>	<b>112.690000</b>
Total Percentage Leased		56.670168%	
Total Percentage Unleased		43.329832%	
Total Acreage Leased			63.861609
Total Acreage Unleased			48.828391

BV

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INSTRUMENT #080004223  
RECORDED IN THE CLERK'S OFFICE OF  
BUCHANAN COUNTY ON  
NOVEMBER 12, 2008 AT 02:37PM

BEVERLY S. TILLER, CLERK  
RECORDED BY: AKT

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